



County of Los Angeles CHIEF EXECUTIVE OFFICE

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December 23, 2009

To: Supervisor Gloria Molina, Chair
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Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

EMANCIPATED YOUTH STIPENDS AND INDEPENDENT LIVING PROGRAM BUDGET IMPACTS

The purpose of this memo is to provide your Board with a response to the November 10, 2009 motion by Supervisor Antonovich directing the Chief Executive Officer (CEO), the Director of Children and Family Services (DCFS), and the Chief Probation Officer to develop a coordinated plan to meet the ongoing service needs of youth receiving Emancipated Youth Stipends (EYS) and Independent Living Program (ILP) services.

On October 21, 2009, the California Department of Social Services (CDSS) issued County Fiscal Letter (CFL) No. 09/10-26 allocating \$13.1 million for ILP for Fiscal Year (FY) 2009-10 to the County of Los Angeles. This is a reduction of \$.8 million from FY 2008-09.

On November 19, 2009, CDSS released CFL No. 09/10-34 stating that as a result of the Child Welfare Services (CWS) FY 2009-10 budget reductions, the EYS allocation was suspended. However, expenditures from the first two quarters of FY 2009-10 could be claimed and charged against the County's CWS allocation. In Los Angeles County, this suspension of EYS funds results in a loss of \$1.4 million.

The CEO, DCFS, and Probation have responded to these budget reductions by amending the FY 2009-10 Emancipation Program Budget. In addition, to mitigate the impact of the EYS suspension, DCFS has been able to utilize waiver savings to buffer the loss of funds. From the start of the fiscal year through notification of this reduction, \$.7 million had been expended for EYS. Waiver savings have been used to cover

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70 percent (\$.5 million) of the expended amount; the remaining 30 percent will be charged against the CWS allocation, which impacts flexibility in service delivery elsewhere. However, this is a one-time solution.

Budget Reduction Impacts

ILP funds are used to provide assistance for current and former foster youth to achieve self-sufficiency. Eligible programs and activities include, but are not limited to, assistance with education, employment, financial management, housing, emotional support and assured connections to caring adults for older youth in foster care. The program is intended to serve youth who are likely to remain in foster care until age 18, youth who, after attaining 16 years of age, have left foster care for kinship, guardianship or adoption, and young adults ages 18-21 who have "aged out" of the foster care system.

EYS funds are a supplement to ILP funding. To qualify for services under this stipend, a youth must be ILP eligible and be emancipated from foster care, living on their own. The EYS stipend specifically funds the following services:

- Bus passes;
- Housing rental deposits and fees;
- Housing utility deposits and fees;
- Work-related equipment and supplies;
- Training-related equipment and supplies; and
- Education-related equipment and supplies.

The gradual decline in ILP and EYS allocations over the past few years has already impacted some services, but has also prepared the team to make difficult decisions about what funding to continue, discontinue or scale back. A budget meeting of the Youth Development Transition Partnership (YDTP), formerly the Emancipation Program Partnership and Youth Development Services Partnership, was held with stakeholders, including community-based partners and other County departments, to participate in discussions about which services to retain. The YDTP meets monthly and is jointly chaired by DCFS and Probation.

The majority of the \$13.1 million Emancipation Program Budget is allocated for contracts and Memoranda of Understanding, which constitute \$11.3 million. These commitments are for life skills; housing (in partnership with Housing and Urban Development, the Community Development Commission and the Department of Mental Health); and to fund the Probation Department's Success Is Our Future event. ILP administrative expenses comprise \$1.3 million, the minimum amount allowable, and

budgeted commitments comprise \$.2 million. The remaining \$.3 million is available for select services.

Independent Living Program funds remain available for housing, high school graduation expenses, work related supplies, youth conferences and special events. In addition, both DCFS and Probation have \$130,000 and \$150,000 respectively remaining in Homeless Prevention Initiative dollars. This can be utilized for rental and utility deposits and fees.

Services that are no longer available include: educational and vocational tuition assistance, books and supplies for education, standardized exam fees (such as the SAT), clothing for interviews and education, miscellaneous school fees such as those for parking or other administrative costs, dorm start-up and deposit costs and airfare for college students in other states.

It should also be noted here that funding for the Transitional Housing Program-Plus (THP-Plus) was reduced statewide in June of 2009 by \$5 million. In October 2009, an additional reduction of \$169,000 was applied statewide. This reduction resulted in a local loss of \$314,000. Going into this fiscal year, there were 100 beds available in the County however, based on this reduction, 70 beds will be funded through the remainder of the fiscal year. No youth currently residing in the program will be displaced. THP-Plus is a housing program for former foster and probation youth, ages 18-24.

Other Funding Sources

Subsequent to the Board motion, Deputies asked that we also provide information on the Mental Health Services Act (MHSA) Transition Age Youth (TAY) dollars, American Recovery and Reinvestment Act Homelessness Prevention and Rapid Re-Housing (HPRP) funds and their use, and the status of the Emancipation Program Partnership. MHSA TAY programs are available to any youth between the ages of 15-25 that reside in the County. MHSA TAY dollars are used for the following programs: Full Service Partnership, Drop-In Centers, Enhanced Emergency Shelter Program (EESP), Probation Camps, Project Based Operating Subsidies (PBOS), and Field Capable Clinical Services. EESP and PBOS services are for severely emotionally disturbed and/or severely and persistently mentally ill clients. Also, please be informed that HPRP funds may be used to assist emancipated youth. The County received \$12.1 million in HPRP funds to serve unincorporated areas and 49 cities. Youth may be eligible to receive services if they are homeless or at-risk of homelessness, meet income criteria and are able to maintain housing stability after assistance has ended.

Finally, the CEO was notified of a \$250,000 earmark from Congressman Adam B. Schiff. These funds are to be used for ILP-eligible DCFS youth who reside in the San Gabriel Valley for the following: completing high school, completing college/vocational training, undergoing money management and job skills training, and acquiring household survival skills and healthy coping skills. The County must formally apply for the funds through the Department of Justice by March 2010. The earmark is a result of a March 21, 2009 community forum of more than sixty current and former foster youth convened at the request of Congressman Schiff. The event was sponsored by several partners including: Congressman Schiff, Supervisor Antonovich, DCFS, Quality of Life Center, Inc., and the Los Angeles County Education Coordinating Council.

CONCLUSION

In conclusion, for FY 2009-10, we have been able to mitigate some of the impact of the reductions in the most critical areas through the use of Waiver savings and reallocation of the Emancipation Program Budget. Other financial resources will need to be identified if we wish to restore service levels to FY 2009-10.

The DCFS and Probation Youth Development Services Section (YDS) have long-standing community partnerships in place that will provide a formidable safety net for many youth who may otherwise not receive select services. YDS has aggressively coordinated with local Workforce Investment Boards (WIBs) and Job Corps locations to ensure youth are connected to employment and vocational services, specifically because the WIBs and Job Corps are often able to provide funds for clothing, materials and transportation. YDS has also worked with local college bookstores to advance students books and accept payment from the department later. Increased coordination is underway with Extended Opportunity Programs and Services offices at local colleges for book vouchers, academic counseling, tutoring and other ancillary educational expenses. YDS Transition Coordinators are also working diligently to ensure that youth are aware of financial aid opportunities through the California Student Aid Commission and federal lenders. Finally, YDS has been working with the Department of Public Social Services to refer youth who need assistance with meeting their basic food needs to the Supplemental Nutrition Assistance Program (formerly known as Food Stamps).

California's massive and ongoing budget crisis has forced the Legislature to make a series of drastic cuts to human services programs in FY 2009-10. The Legislative Analyst's Office projects an estimated budget shortfall of \$20.7 billion through June 30, 2011. This is likely to place the County at risk of further reductions in the coming year. Addressing even larger shortfalls has required painful choices on top of the difficult budget reductions that the Legislature made earlier this year. DCFS has explored the

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possibility of restoring EYS and ILP with CDSS, the County Welfare Directors Association, and legislative staff. Due to the estimated shortfall of \$6.3 billion in the current budget year, they have concluded that there is neither the ability nor the means to restore funding in FY 2009-10. As instructed by your Board, the CEO, the Sacramento advocates and DCFS will work with the appropriate statewide associations, advocate groups, Legislative staff, the California Department of Social Services and the Administration on efforts to fully restore funding for the EYS and the ILP through the State Budget process.

If you have any questions or need additional information, please let me know or your staff may contact Jenny Serrano at (213) 974-4171, or via e-mail at jserrano@ceo.lacounty.gov.

WTF:JW:KH
JS:hn

c: Executive Officer, Board of Supervisors
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 Director of Mental Health
 Director of Probation
 Director of Public Social Services